

Appendix C

(Financial Institution Letterhead)

Irrevocable Letter of Credit No: _____
Re: _____ (Project Name, Block and Lot) _____
Amount: _____
Date: _____

Treasurer, County of Cape May

Beneficiary: Cape May County
Board of Chosen Freeholders
4 Moore Road DN 101
Cape May Court House, NJ 08210

Dear Beneficiary:

We hereby establish our irrevocable credit in the amount of _____ (specify) _____ (\$ _____) in favor of the Treasurer, County of Cape May, New Jersey, on behalf of _____ (Owner/Developer) _____. We understand that this irrevocable credit is to be used to insure the construction of roads, drainage facilities and other improvements as shown in the approved plans and specifications for _____ (ProjectName) _____, located in _____ (Municipality) _____, in the County of Cape May and the State of New Jersey.

This irrevocable credit established by _____ (Financial Institution) _____ shall be in force for a period of one (1) year and shall remain in effect without regard to any default in payment of sums owed by the owner and/or developer and without regard to other claims which we may have against the owner and/or developer.

It is a condition of this Letter of Credit that it shall be automatically extended, without amendment, for additional periods of one (1) year from the present and each future expiration date, unless we notify you in writing to the above address by registered, certified or hand delivered mail at least sixty (60) days prior to any expiration date, that this Letter of Credit will not be extended for any such additional period. Upon receipt by you of such notice, or within sixty (60) days prior to the extended expiration date, you may draw hereunder, without having incurred liability by reason of the failure of _____ (owner/Developer) _____ to construct and install the improvements as required by the above identified plans, profiles, specifications, and cost estimate of improvements by means of your drafts on us, at sight, accompanied by your written certification by the County Engineer that certain installation and construction work remains to be completed and that proceeds of your drafts will be retained and use-d by you to make any payments with you might thereafter by required to make by reasons of the failure of said _____ (Owner/Developer) _____ to complete the construction and installation of improvements, and further, that you will refund to us the amount paid, less any amounts which may have been paid by you for the construction and

installation of said improvements.

This Letter of Credit may be drawn upon by the Treasurer, County of Cape May in the event that the above described improvements are not completed within the specified time.

The Letter of Credit may also be drawn upon by the County of Cape May if a maintenance guarantee, as required by the County is not deposited with the County, prior to the expiration date of this Letter of Credit.

We specifically agree that your drafts will be honored regardless of any objection made by _____ (Owner/Developer) _____ or any third party, even if said objections indicate that all the required improvements have been completed. It shall be the responsibility of _____ (Owner/Developer) _____ to resolve any dispute with the County of Cape May and payments on drafts will not be withheld as a result of any such disputes.

All drafts hereunder must be marked "Drawn on _____ (Financial Institution) _____, Letter of Credit Number _____." All drafts must be drawn on or before the expiration date of _____.

Very truly yours,

Attest:

Witness

(Officer of Financial Institution)

CORPORATE ACKNOWLEDGEMENT - LETTER OF CREDIT

STATE OF NEW JERSEY)

ss.

COUNTY OF CAPE MAY)

BE IT REMEMBERED that on this _____ day of _____, _____,
before me the subscriber _____
(Name of person taking acknowledgment)

personally appeared _____ who being
(Grantor)

by me duly sworn on his/her oath, deposes and makes proof to my satisfaction that she/he
is the of _____ of _____, the
banking institution named in the within instrument; that she/he signed that same as such
officer; and that the instrument is made by virtue of authority of the Board of Directors of
said banking institution for the uses and purposes therein expressed.

Deed acknowledged by: _____
(Seal of Notary)